

FISCAL NOTE

Bill #: HB0346

Title: Revise DUI laws

Primary Sponsor: Smith, F

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	\$32,856	\$2,403
Revenue:		
General Fund	\$170,710	\$242,646
Net Impact on General Fund Balance:	\$137,854	\$240,243

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|---|--|
| <input checked="" type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. Assuming the number of individuals refusing to submit to a test or convicted of or forfeited bail for second or subsequent offenses under 61-8-401 or 61-8-406, MCA, remain constant at the calendar year 2002 level, it is estimated there would be 1,802 occurrences requiring action under HB 346 in FY 2004 and 2,403 in FY 2005 due to the 10/1/2003 effective date of this bill.
2. Administrative expenses increase by \$31,054 in FY 2004 to provide for programming to mark the motor vehicle system, add new fee codes, record the agency code for the law enforcement agency receiving a share of the \$50 fee, update the county treasurer reports to the Department of Revenue, and establish the date parameters imposed by HB 346.
3. Operating costs for new forms, postage, and computer processing time are estimated at \$1,802 in FY 2004 and \$2,403 in FY 2005.
4. In order to estimate revenue impact it is assumed that the individual owns one vehicle and 10 percent of those vehicles are zero to four years old (average registration fees \$211.25), 40 percent are five to 10 years old (average registration fees \$81.25), and 50 percent are 11 years or older (average registration fees \$32.25).
2,403 x 10% (0-4yrs old) = 240 vehicles x \$211.25/vehicle average = \$50,700 plus county option taxes
2,403 x 40% (5-10yrs old) = 961 vehicles x \$81.25/vehicle average = \$78,081 plus county option taxes
2,403 x 50% (11+yrs old) = 1,202 vehicles x \$32.25/vehicle average = \$38,765 plus county option taxes

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Based upon these assumptions, approximately \$125,660 (75% of total \$167,546 estimate) in additional vehicle registration fees would be collected and remitted to the Department of Revenue in FY 2004 based upon the effective date of HB 346 and \$167,546 in FY 2005. It is assumed the motor vehicle registration fees, fees in lieu of taxes, and other license fees collected under this bill would be distributed under present law.

5. The additional \$50 fee provided in this bill would generate approximately \$90,100 (\$50 x 1802 occurrences after 10/1/03) in FY 2004 and an estimated \$150,200 (\$50 x 2403 occurrences = 120,150 plus 50 x 601 for renewals from 7/1-9/30/03 = \$30,050) in FY 2005. These fees would be remitted to the Department of Revenue and would be distributed 50 percent to the state general fund and 50 percent to the local law enforcement agency where the offense occurred. Thus, the actual revenue to the general fund would be \$45,050 in FY 2004 and \$75,100 in FY 2005.
6. Total revenue by fiscal year would be \$170,710 in FY 2004 and \$242,646 in FY 2005.

FISCAL IMPACT:

Department of Justice

Motor Vehicle Division

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	32,856	2,403
<u>Funding of Expenditures:</u>		
General Fund (01)	32,856	2,403
<u>Revenues:</u>		
General Fund (01)	170,710	242,646
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	137,854	240,243

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Counties may experience an increase in revenues due to the additional county option taxes that would be assessed for those motor vehicles obtaining the special one-year license plates or the second year renewals.

TECHNICAL NOTES:

1. Due to the programming required, the Department of Justice, Motor Vehicle Division, would not be able to implement the provisions of this bill until January 1, 2004.
2. The intent of this bill could be circumvented with the sale of the motor vehicle(s) owned at the time of the offense and the later purchase of vehicles that would not be marked under the provisions of this bill.
3. This bill proposes to divert a portion of the re-registration fee to the agency where the violation occurred which contradicts the purpose and intent of HB 124 that streamlined the flow of revenues between state and local agencies